



AMERICAN ACADEMY  
OF OPHTHALMOLOGY  
*The Eye M.D. Association*

May 30, 2002

The Honorable Nancy Johnson  
Chair, House Ways and Means Health Subcommittee  
U.S. House of Representatives  
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FEDERAL AFFAIRS DEPARTMENT

Dear Chairwoman Johnson:

On behalf of the American Academy of Ophthalmology and its 18,000 U.S.-based members, I want to thank you for your leadership in resolving the critical situation physicians and their patients face today under the Medicare payment system. We appreciate the House Ways and Means and Energy and Commerce committee's cooperative work to develop a solution to this problem that immediately protects physicians from scheduled cuts in 2003, 2004 and 2005. While we remain committed to a long-term solution, we understand that there will be an opportunity to revisit the issue if needed, over the next couple of years. The Academy calls on Congress to support the Medicare modernization bill that includes this three-year fee fix for physicians.

The 5.4 percent cut in Medicare payments to physicians effective this year has already had a significant impact on ophthalmology, and even more devastating for some of our key subspecialties experiencing additional reductions due to resource-based practice expenses. Ophthalmology is unique as a specialty in that nearly 60 percent of our patients are Medicare beneficiaries. The cuts come at a time when the specialty sees increasing costs from regulatory burdens, labor and new technology. In addition, CMS's announcement of additional cuts scheduled for the next three years—resulting in a nearly 20% reduction by 2005—has already sent a disastrous message to doctors and potential medical students across the country. Just as importantly, when our members are faced with referring a Medicare patient for a medical workup, they are having increasing difficulty in finding family practitioners and general internists who are willing to take new Medicare patients. We urge you to move expeditiously to stop these cuts and send a positive message of stability to medical practitioners everywhere.

Again, thank you for your leadership. We look forward to working with you to move the legislation forward.

Sincerely,

William Rich, III, M.D.  
Secretary for Federal Affairs